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Filed : February 13, 2002

REMARKS

This is in response to the Office Action mailed May 3, 2004. Currently, Claims 1-9, 19-20, and 135-141 are pending. The Examiner rejected all of the pending claims. In response to the Office Action, the Applicant has amended Claim 1. The Applicant respectfully requests reconsideration in light of the amendment and comments provided herein.

Change of Inventorship

Applicants request that the Examiner confirm that the inventorship has been amended as requested to list only Thomas Scott Dreaper and that Robert Dunning be deleted as an inventor.

Drawing Objections

The Examiner objected to the lack of a flow chart in the drawings because the drawings "do not provide proper illustration of the flow requirement in the method." Applicant has submitted a new figure to comply with the Examiner's request. Applicant's attorney, on behalf of Applicant is requesting that the Examiner provide an explanation as to why the two references cited by the Examiner (Webb and Daines), which have method claims, lack such a flow chart figure yet Applicant's application is singled out for rejection. The Applicant further requests that the Examiner be made aware that the Daines reference

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has no figures at all and that Examiner Marks recently issued a patent that does not meet the requirements imposed on Applicant. Namely, U.S. Patent 6,543,774 issued by Examiner Marks contains method claims but does not contain an illustration of the "flow required of the method." Applicant's attorney acknowledges that other patents are not controlling, but Applicant does not understand why the rules are not applied uniformly and appear to only be applied to this application.

Applicant has submitted new Figure 7 and respectfully requests addition of new Figure 7, which is included herewith, to the application. The subject matter of Figure 7 is fully supported by the specification and claims as originally filed.

General Comments

Applicants submits that many of the rejections set forth in the Office Action do not meet the required legal standards as set forth in the MPEP and the case law. In particular, in many instances the Examiner has not set forth a prima facie case of obviousness. While Applicant's attorney appreciates the Examiner's creativity, such rejections would not survive scrutiny of the Board of Appeals. In light of the amendments and comments provided herein, Applicant requests that the Examiner reconsider the rejections and allow the claims. Applicant also notes that it is well established that the gaming art is crowded, and as such, the difference between the prior art and a newly claimed invention need not

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be great or monumental to establish allowability, particularly for claims that have numerous limitations.

Claims 1 and 8 Rejected Under 35 U.S.C. § 102

The Examiner rejected Claims 1 and 8 as being anticipated by the Sklar reference (U.S. Patent No. 6,439,573). Applicant has amended Claim 1 to more clearly claim the subject matter of the invention and in doing so, has traversed the Sklar reference. Claim 1 differs from the teaching of the Sklar reference in numerous ways.

Claim 1 requires that two or more cards be dealt and that the sum total of the two or more cards be calculated. This step is not taught by the Sklar reference because Sklar teaches dealing only a single card and does not teach adding card values. In addition, Claim 1 requires that the player may bet on the sum of the cards in relation to a median value. This limitation is not taught by Sklar, which is limited to betting only higher or lower than the previous dealt card (See Figure 1) or on a single card value.

Due to the limitations of Claim 1, which are not found or suggested in Sklar, Claim 1 is not anticipated by the Sklar reference and allowance of Claim 1 is requested.

Claim 8, which depends from Claim 1 is also submitted as being allowable due to its dependance from an allowable independent claim.

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Rejection of Claims 2-7 and 19 under 35 U.S.C. § 103

Claims 2-7 and 19 depend from Claim 1, which is submitted as being allowable. As such, allowance of Claims 2-7 and 19 is also requested.

Rejection of Claims 9-10, 20 and 140

These claims depend from independent Claims 1 and 135 which are submitted as being allowable. As such, allowance of Claims 9-10, 20 and 140 is also requested

The Examiner further notes in the Office Action on page 5 that:

*Webb teaches a high low embodiment wherein the player can bet, high, low and mid ranges on a number of cards, **which teaches that no possibility should be eliminated in a game.** (emphasis added by Applicant)*

This quote is particularly concerning to Applicant because this quote evidences a misapplication of the well established principles that govern patent laws with regards to how the application of ordinary skill in the art is used to interpret what is obvious. Clearly the Examiner's application of the law is mistaken because, based on the Examiner's reasoning, all games are obvious because Webb teaches "no possibility should be eliminated in a game." The premise is clearly false, and hence, the Applicant requests that the Examiner reconsider their position. "It is never appropriate to rely solely on "common knowledge" in the art without evidentiary support in the record, as the principle evidence upon which a rejection is based." In re Zurko, 258 F.3d 1379, 1385 (Fed Cir. 2001)

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In addition, the Examiner asserts the following:

*. . . a skilled artisan is **always motivated to draw more money into the casino and thus would be motivated to include any opportunity to do so . . .***

If the Examiner is asserting that any activity that draws money into the casino is obvious because a skilled artisan would be so motivated, then the Examiner is again misapplying well established patent law principles.

The proper application of the law is that virtually all inventions are a combination of known elements. Further, for references to be combined, the references must contain some motivation to combine their teaching with the teaching of the other references. With regard to the Examiner's creative passage that follows this above-cited quote, the Examiner is impermissibly using hind sight to piece together rational that it would have been obvious to create the claimed invention as found in Claims 1 and 135. The law in this area is clear, 'The teaching or suggestion to make the claimed combination and the reasonable expectation of success must both be found in the prior art, not in applicant's disclosure.' In re Vaeck, 947 F.2d 488 (Fed. Cir. 1991).

The fact of the matter is that the Examiner's interpretation of the state of the art is inaccurate and the Examiner is mis-representing the teaching of the Webb reference. For example, the Examiner cites the Webb reference for teaching that artisan is motivated to increase revenue (Office Action, page 5) yet, in fact, a detailed electronic word search of the Webb reference reveals that the Webb reference contains no such discussion.

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In addition the Examiner first cites on page 5 of the Office Action that:

Over the long run, the bets collected on the mean value bets would out weight the limited income gained from collecting bets on the occasions on which the mean does occur.

to support that the mean value bet is obvious because it increases revenue, yet in the very next page theorizes that:

Regarding the payout associated with this incorporation a skilled artisan also understands the mathematical requirements for a gaming system in terms of probability, thus a bet that is less likely to occur (1 in 13 for the mean value as opposed to 6 to 13 for both the high and the low) would have higher payouts in order to maintain the requirement percentage hold.

These statements, which are used to support a finding of obviousness and without support from any cited reference, are factually supporting different positions. In particular, the first statement argues that all bets are obvious because they increase casino revenue while the second statement argues that it is obvious to increase payouts even though this actually decreases casino revenue.

It is apparent that anything claimed by the Applicant, regardless of any teaching by a reference or what an artisan would really know, is obvious to the Examiner if it suits the Examiner's need at a particular moment. Applicant further reminds the Examiner that the Examiner is not one of ordinary skill in the art and hence, it is improper for the Examiner

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to make such statements, without support of a prior art reference. The Board of Appeals is critical of these type rejections.

The discussion provided below regarding establishment of a prima facie case of obviousness is incorporated herein.

Applicant requests allowance of dependent Claims 9-10, 20 and 140.

Rejection of Claims 135-139 under 35 U.S.C. § 103(a)

The Examiner rejected Claim 135 as being obvious based on only the Sklar reference and the Examiner's opinion as to how a skilled artisan would be motivated to modify the Sklar reference. For the reasons stated above, and for the additional reasons set forth below, the Examiner is improperly applying the law and misinterpreting the teaching of Sklar.

The Sklar reference teaches allowing a player to make multiple bets, at a single time, whether the next card turned over will be higher or lower than the previous card revealed or whether the next card revealed will be less than or great than 8. The value of 8 is a trump card which results in an immediate dealer victory. (Column 2, lines 48-59). Moreover, the Sklar reference teaches showing only one card at a time (Figure 1 and Column 3, lines 5-7).

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In sharp contrast, Claim 135 of the present application requires the following elements which are not taught or suggested by the Sklar reference, with emphasis being provided to aid the reader.

providing two or more cards

receiving one or more bets from the one or more players regarding predictions of whether a sum total of values for cards to be dealt to the card display area is below the mean value, above the mean value, or equal to the mean value;

adding the value of the two or more cards to generate the actual sum total of the two or more cards;

comparing the predictions by the one or more players to the actual sum total of the two or more cards; and

The Examiner asserts, without any support, that based only on the Sklar reference, it would be obvious to inject all of these steps into the game of Sklar to arrive at the claimed invention. These assertions are simply the opinion of the Examiner and, as such, are insufficient to establish a prima facie case of obviousness. A detailed discussion of the requirements to establish a prima facie case of obviousness is provided below.

To establish a *prima facie* case of obviousness, three basic criteria must be met. First, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine reference teachings. Second, there must be a reasonable

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expectation of success. Third, the prior art reference (or references when combined) must teach or suggest all the claim limitations. (MPEP § 2143) With regard to at least the third element, the Examiner has not meet the *prima facie* case of obviousness.

In particular, the teaching or suggestion to make the claimed combination and the reasonable expectation of success must both be found in the prior art, not in applicant's disclosure. *In re Vaeck*, 947 F.2d 488 (Fed. Cir. 1991). Thus, to establish *prima facie* obviousness of a claimed invention, all the claim limitations must be taught or suggested by the prior art, *In re Royka*, 490 F.2d 981, (CCPA 1974).

While the Applicant acknowledges that the references do not have to explicitly suggest combining the teachings (*In re Nilssen*, 851 F.2d 1401, 1403, 7 USPQ2d 1500, 1501 (Fed. Cir. 1988)), the Examiner must, at a minimum, present a convincing line of reasoning supporting the rejection. *Ex parte Clapp*, 227 USPQ 972 (Bd. Pat. App. & Inter. 1985).

As noted by the court in *In re Ahlert*, 424 F.2d 1088, 1091 (CCPA 1970), the notice of facts beyond the record which may be taken by the examiner must be "capable of such instant and unquestionable demonstration as to defy dispute" (citing *In re Knapp Monarch Co.*, 296 F.2d 230 (CCPA 1961)). Applicant submits that the statements presented by the Examiner do not meet this test. For example, it would not be appropriate for the examiner to take official notice of facts without citing a prior art reference where the facts asserted to be well known are not capable of instant and unquestionable demonstration as being

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well-known. Indeed, assertions of specific knowledge of the prior art must always be supported by citation to some reference work recognized as standard in the pertinent art. *In re Ahlert*, 424 F.2d at 1091, 165 USPQ at 420-21. The Examiner has provided not such citation, and the line of reasoning presented by the Examiner is contradictory, or at times, simply false.

The courts have expressly held that "[W]e reject the notion that judicial or administrative notice may be taken of the state of the art. The facts constituting the state of the art are normally subject to the possibility of rational disagreement among reasonable men and are not amenable to the taking of such notice" *In re Eynde*, 480 F.2d 1364, 1370, 178 USPQ 470, 474 (CCPA 1973).

Furthermore, and as cited in the MPEP, it is never appropriate to rely solely on "common knowledge" in the art without evidentiary support in the record, as the principal evidence upon which a rejection was based. *Zurko*, 258 F.3d at 1385 ("[T]he Board cannot simply reach conclusions based on its own understanding or experience - or on its assessment of what would be basic knowledge or common sense. Rather, the Board must point to some concrete evidence in the record in support of these findings").

Because the Examiner is improperly utilizing their personal opinion, and not relying on the references for her assertions, the rejection of Claim 135 is flawed, will not survive review by the Board of Appeals, and as such, the Applicant requests allowance of Claim 135.

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In addition, the Applicant submits that the Sklar reference teaches away from the game as claimed in Claim 135 because the Sklar reference teaches that the eight value is an automatic losing hand for all the players and additional eight cards may be added to the deck to stack the odds against the player. The method of Claim 135 is the direct opposite, however, because the players may bet on the median value and it is not an automatic loser for the player. The addition, while the Sklar reference goes out of its way to teach dealing only a single card. (Figure 1, Column 2, lines 39-43), the method as claimed herein deals two or more cards and then adds the value of these cards. The Examiner's proposal that the skilled artisan would be motivated to modify the Sklar reference is without the requisite support and, as such, the Applicant respectfully requests allowance of Claim 135.

The Applicant also requests allowance of dependent Claims 136-139, due to their dependence from an allowable independent claim.

Rejection of Claims 141 under 35 U.S.C. § 103(a)

Claim 141 depends from Claim 135, which Applicant submits is allowable. As such, Claim 141 is also allowable and respectfully requests notification as to the same.

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SUMMARY

Applicant asserts that Claims 1-10, 19, 20, and 135-141 are in condition for allowance and respectfully requests a notice as to the same. If any matters remain outstanding, the Examiner is invited to contact the undersigned by telephone.

Respectfully submitted,

Dated: 10/19/04

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